



Senate

General Assembly

File No. 193

February Session, 2012

Substitute Senate Bill No. 149

Senate, April 2, 2012

The Committee on Labor and Public Employees reported through SEN. PRAGUE of the 19th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT CONCERNING THE DENIAL OF UNEMPLOYMENT
COMPENSATION BENEFITS TO CERTAIN DRIVERS WHO ARE
UNEMPLOYED AS A RESULT OF A DRUG OR ALCOHOL TEST.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subdivision (1) of subsection (c) of section 31-225a of the
2 general statutes is repealed and the following is substituted in lieu
3 thereof (*Effective October 1, 2012*):

4 (c) (1) (A) Any week for which the employer has compensated the
5 claimant in the form of wages in lieu of notice, dismissal payments or
6 any similar payment for loss of wages shall be considered a week of
7 employment for the purpose of determining employer chargeability.
8 (B) No benefits shall be charged to any employer who paid wages of
9 five hundred dollars or less to the claimant in his base period. (C) No
10 dependency allowance paid to a claimant shall be charged to any
11 employer. (D) In the event of a natural disaster declared by the
12 President of the United States, no benefits paid on the basis of total or

13 partial unemployment which is the result of physical damage to a
14 place of employment caused by severe weather conditions including,
15 but not limited to, hurricanes, snow storms, ice storms or flooding, or
16 fire except where caused by the employer, shall be charged to any
17 employer. (E) If the administrator finds that (i) an individual's most
18 recent separation from a base period employer occurred under
19 conditions which would result in disqualification by reason of
20 subdivision (2), (6) or (9) of subsection (a) of section 31-236, [or] (ii) an
21 individual was discharged for violating an employer's drug testing
22 policy, provided the policy has been adopted and applied consistent
23 with sections 31-51t to 31-51aa, inclusive, section 14-261b and any
24 applicable federal law, or (iii) an individual was discharged or
25 suspended because the individual has been disqualified under state or
26 federal law from performing the work for which such individual was
27 hired as a result of a suspension or revocation of such individual's
28 commercial driver's license or driver's license with a "V" or "F"
29 endorsement, unless the individual provides documentation from the
30 Department of Motor Vehicles or the United States Department of
31 Transportation indicating the reason for the suspension or denial of the
32 individual's license is based on any provision of 49 CFR 391.41 to 49
33 CFR 391.49, inclusive, no benefits paid thereafter to such individual
34 with respect to any week of unemployment which is based upon
35 wages paid by such employer with respect to employment prior to
36 such separation shall be charged to such employer's account, provided
37 such employer shall have filed a notice with the administrator within
38 the time allowed for appeal in section 31-241. (F) No base period
39 employer's account shall be charged with respect to benefits paid to a
40 claimant if such employer continues to employ such claimant at the
41 time the employer's account would otherwise have been charged to the
42 same extent that he employed him during the individual's base period,
43 provided the employer shall notify the administrator within the time
44 allowed for appeal in section 31-241. (G) If a claimant has failed to
45 accept suitable employment under the provisions of subdivision (1) of
46 subsection (a) of section 31-236 and the disqualification has been
47 imposed, the account of the employer who makes an offer of

48 employment to a claimant who was a former employee shall not be
49 charged with any benefit payments made to such claimant after such
50 initial offer of reemployment until such time as such claimant resumes
51 employment with such employer, provided such employer shall make
52 application therefor in a form acceptable to the administrator. The
53 administrator shall notify such employer whether or not his
54 application is granted. Any decision of the administrator denying
55 suspension of charges as herein provided may be appealed within the
56 time allowed for appeal in section 31-241. (H) Fifty per cent of benefits
57 paid to a claimant under the federal-state extended duration
58 unemployment benefits program established by the federal
59 Employment Security Act shall be charged to the experience accounts
60 of the claimant's base period employers in the same manner as the
61 regular benefits paid for such benefit year. (I) No base period
62 employer's account shall be charged with respect to benefits paid to a
63 claimant who voluntarily left suitable work with such employer (i) to
64 care for a seriously ill spouse, parent or child or (ii) due to the
65 discontinuance of the transportation used by the claimant to get to and
66 from work, as provided in subparagraphs (A)(ii) and (A)(iii) of
67 subdivision (2) of subsection (a) of section 31-236.

This act shall take effect as follows and shall amend the following sections:

Section 1	October 1, 2012	31-225a(c)(1)
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LAB *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill allows employers under certain circumstances to suspend professional drivers without those suspensions counting toward an employer's unemployment taxes. It has no fiscal impact, as state and municipal employers are not subject to its provisions.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**sSB 149*****AN ACT CONCERNING THE DENIAL OF UNEMPLOYMENT COMPENSATION BENEFITS TO CERTAIN DRIVERS WHO ARE UNEMPLOYED AS A RESULT OF A DRUG OR ALCOHOL TEST.*****SUMMARY:**

Under certain circumstances, this bill allows private sector employers of professional drivers to discharge or suspend a driver without affecting the employer's unemployment taxes. It creates a "non-charge" against an employer's unemployment experience rate when an employer discharges or suspends an employee because the employee needs a commercial driver's license (CDL) or non-commercial license with a "V" or "F" endorsement to perform his or her job, but the license was suspended or revoked under state or federal law. In effect, the bill allows the discharged or suspended employee to collect unemployment benefits, as under current law, without increasing the employer's unemployment taxes (see BACKGROUND). As with other non-charging separations, the employer must notify the unemployment administrator of the circumstances within 21 days after receiving notice that the former employee is eligible for benefits.

The bill does not apply to employees who can prove that they lost their license due to a medical condition that disqualified them for a CDL under federal regulations (e.g., limb impairment, diabetes requiring insulin for control, respiratory dysfunction). As under current law, these employees can claim unemployment benefits that will be charged against the employer's experience rate.

EFFECTIVE DATE: October 1, 2012

BACKGROUND

Unemployment Experience Rate

In general, a significant portion of a private sector employer's unemployment insurance taxes are based on the employer's "experience rate," which reflects the amount of unemployment benefits paid to the employer's former employees over a certain period of time. Typically, laying off employees leads to a higher experience rate, up to a statutorily defined limit, and thus higher unemployment taxes for the employer. The law allows several non-charging separations in which an employee can collect benefits without affecting a former employer's experience rate (e.g., voluntarily leaving work to care for a seriously ill spouse, parent, or child). In these instances, the benefits paid to the former employee are "pooled" and paid by all employers who pay unemployment taxes.

"V" and "F" Endorsements

A "V" endorsement on a non-CDL allows a driver to transport students to or from school, school programs, and school sponsored events in vehicles other than registered school buses. An "F" endorsement applies to taxi and livery service drivers.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Substitute

Yea 9 Nay 1 (03/20/2012)